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DEPARTMENT OF COMMERCE International Trade Administration (A-570-016)

Passenger Vehicle and Light Truck Tires from the People's Republic of China: Initiation of Antidumping Duty New Shipper Review; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: On February 25, 2016, the Department received a timely request for a new shipper review (NSR) from Shandong Xinghongyuan Tire Co., Ltd. ("SXT"), in accordance with section 751(a)(2)(B)(i) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.214(c). The Department of Commerce (Department) has determined that the request for a NSR of the antidumping duty order on Passenger Vehicle and Light Truck Tires (passenger tires) from the People's Republic of China (PRC) meets the statutory and regulatory requirements for initiation. The period of review (POR) is August 1, 2015, through, January 31, 2016.

DATES: Effective (INSERT DATE OF PUBLICATION IN THE <u>FEDERAL REGISTER</u>.)

FOR FURTHER INFORMATION CONTACT: Chien-Min Yang, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5484.

SUPPLEMENTARY INFORMATION:

Background

The Department published the antidumping duty order on passenger tires from the PRC in the Federal Register on August 10, 2015.¹ On February 25, 2016, the Department received a

¹ <u>See Certain Passenger Vehicle and Light Truck Tires From the People's Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; and Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order. 80 FR 47902 (August 10, 2015).</u>

timely request for a NSR from SXT.² SXT certified that it is the exporter and producer of the passenger tires upon which the request for a NSR is based.³ Pursuant to section 751(a)(2)(B)(i)(I) of the Act and 19 CFR 351.214(b)(2)(i), SXT certified that it did not export passenger tires for sale to the United States during the period of investigation (POI).⁴ Moreover. pursuant to section 751(a)(2)(B)(i)(II) of the Act and 19 CFR 351.214(b)(2)(iii)(A), SXT certified that, since the investigation was initiated, it never has been affiliated with any exporter or producer who exported the subject merchandise to the United States during the POI, including those not individually examined during the investigation.⁵ Further, as required by 19 CFR 351.214(b)(2)(iii)(B), it certified that its export activities are not controlled by the central government of the PRC.⁶ SXT also certified it had no subsequent shipments of subject merchandise.⁷

In addition to the certifications described above, pursuant to 19 CFR 351.214(b)(2)(iv), SXT submitted documentation establishing the following: (1) the date of its first sale to an unaffiliated customer in the United States; (2) the date on which the passenger tires were first entered; and (3) the volume of that shipment.⁸

The Department queried the database of U.S. Customs and Border Protection (CBP) in an attempt to confirm that the shipment reported by SXT had entered the United States for consumption and that liquidation had been properly suspended for antidumping duties. The information which the Department examined was consistent with that provided by SXT in its

See Shandong Xinghongyuan 's request for a NSR dated February 25, 2016.

 $^{^{3}}$ <u>Id.</u> at Exhibit 2.

Id. <u>Id.</u> <u>Id.</u> <u>Id.</u>

 $[\]overline{\underline{Id}}$. at page 2.

Id. at Exhibit 1.

request. In particular, the CBP data confirmed the price and quantity reported by SXT for the sale that forms the basis for this NSR request.

Period of Review

Pursuant to 19 CFR 351.214(c), an exporter or producer may request a NSR within one year of the date on which its subject merchandise was first entered. Moreover, 19 CFR 351.214(d)(1) states that if the request for the review is made during the six-month period ending with the end of the semiannual anniversary month, the Secretary will initiate a NSR in the calendar month immediately following the semiannual anniversary month. Further, 19 CFR 315.214(g)(1)(i)(B) states that if the NSR was initiated in the month immediately following the semiannual anniversary month, the POR will be the six-month period immediately preceding the semiannual anniversary month. SXT made the request for a NSR, that included all documents and information required by the statute and regulations, within one year of the date on which its passenger tires first entered. Its request was filed in February, which is the semiannual anniversary month of the order. Therefore, the POR is August 1, 2015, through January 31, 2016.10

Initiation of New Shipper Review

Pursuant to section 751(a)(2)(B) of the Act and 19 CFR 351.214(b), and the information on the record, the Department finds that SXT's request meets the threshold requirements for initiation of a NSR and, therefore, is initiating a NSR of SXT. The Department intends to issue the preliminary results within 180 days after the date on which this review is initiated and the final results within 90 days after the date on which we issue the preliminary results. 11

⁹ See Memorandum to the File, "New Shipper Review of the Antidumping Duty Order on Passenger Vehicle and Light Truck Tires from the People's Republic of China: Customs Entries from January 27, 2015, to January 31, 2016," dated March 31, 2016.

¹⁰ <u>See</u> 19 CFR 351.214(g)(1)(i)(B).

¹¹ <u>See</u> section 751(a)(2)(B)(iv) of the Act.

It is the Department's usual practice in cases involving non-market economies to require that a company seeking to establish eligibility for an antidumping duty rate separate from the country-wide rate (i.e., a separate rate) provide evidence of <u>de jure</u> and <u>de facto</u> absence of government control over the company's export activities. Accordingly, the Department will issue questionnaires to SXT, which will include a section requesting information with regard to its export activities for the purpose of establishing its eligibility for a separate rate. The review will proceed if the responses provide sufficient indication that SXT is not subject to either <u>de jure</u> or <u>de facto</u> government control with respect to its exports of passenger tires.

On February 24, 2016, the President signed into law the "Trade Facilitation and Trade Enforcement Act of 2015," H.R. 644, which made several amendments to section 751(a)(2)(B) of the Act. We will conduct this new shipper review in accordance with section 751(a)(2)(B) of the Act, as amended by the Trade Facilitation and Trade Enforcement Act of 2015. ¹³

Interested parties requiring access to proprietary information in this proceeding should submit applications for disclosure under administrative protective order in accordance with 19 CFR 351.305 and 351.306.

¹² See Import Administration Policy Bulletin, Number: 05.1. (http://ia.ita.doc.gov/policy/bull05-1.pdf).

¹³ The Trade Facilitation and Trade Enforcement Act of 2015 removed from section 751(a)(2)(B) of the Act the provision directing the Department to instruct Customs and Border Protection to allow an importer the option of posting a bond or security in lieu of a cash deposit during the pendency of a new shipper review.

	This initiation and notice are in accordance with section	751(a)(2)(B) of t	he Act and
19 CFI	R 351.214 and 351.221(c)(1)(i).		

Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

____May 25, 2016_____

Date

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